Evans unveils tight budget for new year

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Gov. John V. Evans unveiled Friday his preliminary tentative budget of $440 million for the coming fiscal year, an increase over the $406 million approved for the current year that was slashed to $380 million because of a 3.85 percent holdback.

Evans said in a Post-Register telephone interview that he felt the present tax structure would yield that much revenue, adding "it will be tight but I believe we can live with it."

Evans said election results indicated people didn't want a further general tax increase and said he would not recommend one. He said he felt local governments should be given some tax leeway if they desired.

"However," said Evans, "they now appear to be backing away from that."

Evans said although the $440 million will finance the regular state government operations, there is still the question of paying for overdue Medicaid bills, damages from last summer's Idaho Prison riot, volcanic ash cleanup and restoring cuts for the Aid to Dependent Children program.

To take care of this, the governor said he would recommend to the Idaho Legislature that it authorize the transfer of an estimated $12 million from the Water Pollution Fund for such purposes.

Evans said he didn't know exactly how much costs of the prison riot would run in the matter of paying for damages not covered by insurance and for paying other states and the federal government for upkeep of Idaho prisoners while the prison repairs were under way.

The Aid to Dependent Children deficit will amount to about $2.5 million while the volcanic ash cleanup will not total as great as was first feared and possibly will be well under $1 million, said Evans.

There was one area for increased taxation that Evans said might be considered. That's for a hike in the state gas tax and perhaps vehicle registration to generate more funding for maintenance and improvements of highways.

Gov. John V. Evans

Evans said the state doesn't have enough funds now to fully match federal highway funds for necessary improvements.

He said he would confer with legislative leaders, particularly Rep. John O.Sessions, R-Driggs, chairman of the House Transportation Committee, on what could be done. He noted Sessions has been the leader for highway improvements, lauding him highly for his efforts because it has saved the state millions in preventing deterioration of highways.

"The highway situation could become critical this year unless we do something," he said.

Commenting on the Nov.4 election, Evans admitted it was a serious setback for the Democrat.

"I do not place a great weight on the swing to the right," said Evans. "They are right in yelling about their (the right wing) victories and I must applaud them."

Evans said, however, the right pendulum appears to have reached its apex and he feels it may begin swinging back to a more moderate level.

The governor said he was particularly disappointed in Sen. Frank Church's defeat and also in the Democrats losing rather than gaining legislative seats.

He pointed out, however, there have been landslides in 1928, 1932, 1952 and 1968. and these have often been followed by swings in the opposite directions.

Evans said he is particularly heartened by signs of an upturn in the economy that may help state revenue.

"Our main problem is the need to stimulate business," he said. "I look with great optimsim for the future for Idaho and working with the Legislature on recommendations that are important to the people."

Evans reiterated there is nothing that has changed his plans to seek re-election in 1982.